

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	CASE NO.
OF AUXIER WATER COMPANY)	2005-00083

O R D E R

On February 23, 2005, Auxier Water Company ("Auxier") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. 807 KAR 5:067.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Auxier purchases water from Prestonsburg City's Utilities Commission ("Prestonsburg").
2. Prestonsburg notified Auxier that effective with its February 1, 2005 billing its wholesale water rates would increase by 2.2 percent over its current declining block rates. Auxier proposes to increase the water rates to its customers effective February 11, 2005.
3. During the 12 months ending December 31, 2004, Auxier purchased 75,352,000 gallons of water and sold 65,133,000 gallons. The increase in the cost of purchased water is \$4,054.44, resulting in a purchased water adjustment of \$0.0622 per 1,000 gallons.
4. The purchased water adjustment of \$0.0622 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed rates by Auxier are accepted.
2. The purchased water adjustment of \$0.0622 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for services rendered on and after the date of this Order.
3. Within 20 days of the date of this Order, Auxier shall file with the Commission revised tariff sheets showing the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of March, 2005.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00083 DATED March 21, 2005.

The following rates and charges are prescribed for the customers in the area served by Auxier Water Company. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

First 1,000 Gallons	\$12.15 Minimum Bill
Next 1,000 Gallons	7.30 per 1,000 gallons
Next 6,000 Gallons	6.45 per 1,000 gallons
Next 6,000 Gallons	5.45 per 1,000 gallons
Over 14,000 Gallons	4.55 per 1,000 gallons

Regency Park Apartments

Meter Nos. 1 and 2

First 14,000 Gallons	\$12.15 per 1,000 gallons
Over 14,000 Gallons	4.55 per 1,000 gallons

Meter No. 3

First 13,000 Gallons	\$12.15 per 1,000 gallons
Over 13,000 Gallons	4.55 per 1,000 gallons